



**Office of the Attorney General
Paul G. Summers**

**Department of Commerce and Insurance
Commissioner Paula Flowers**

NEWS RELEASE

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FOR IMMEDIATE RELEASE

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**ATTORNEY GENERAL JOINS AGREEMENT WITH TIME INC. CONCERNING
AUTOMATIC RENEWAL OFFERS AND MAIL SOLICITATIONS**

If you received an automatic renewal for a subscription to Time Inc. magazines but didn't ask for it, you may be eligible for restitution as a part of an agreement between Time Inc. and the Tennessee Attorney General's Office.

The settlement resulted from the States' investigation into Time's marketing and billing practices concerning automatic renewal offers, billing and collection procedures, and solicitations in the form of invoices.

"We feel this is a fair agreement," Tennessee Attorney General Paul G. Summers said. "It is important consumers receive clear and adequate purchasing information and are not unfairly charged for products they do not want.."

Consumers complained in several states of Time billing them or charging their credit cards for unwanted magazine subscriptions. Time allegedly replaced its limited-term subscriptions renewed at the customer's option at the end of the subscription term without notifying consumers with automatic renewal. Time is alleged to have required customers to cancel the subscription if a renewal is not wanted. Consumers also complained Time mailed solicitations that appeared to be invoices and lacked the conspicuous disclosures required by

law. The States concluded that Time's practices misled some consumers into paying for unwanted or unordered subscriptions.

Time Inc. denied the States' allegations but agreed to provide clear and conspicuous disclosures to consumers concerning all of the material terms for automatic subscription renewals. For the next five years, consumers will have the opportunity to indicate whether they want the automatic renewal option. Before the end of the subscription period, Time will send customers written reminders of the automatic renewal, their right to cancel the subscription and the procedure for cancellation.

Time will honor all requests to cancel subscriptions as soon as reasonably possible. If customers are charged for magazines they did not order, Time will refund the subscription price. Time will not mail solicitations to consumers for subscriptions that resemble bills, invoices or statements of accounts due. In addition, Time will not submit unpaid accounts of automatic renewal customers for third party collections.

Tennessee and Tennessee consumers will receive approximately \$600,000 as its share of the agreement with several other states and Time, Inc.

Time will refund 4.3 million dollars to more than 108,000 eligible consumers who made payments for magazine subscriptions that were automatically renewed between 1998 and May of 2004. Within the next three months, Time will be sending State-approved refund letters and claim forms directly to consumers who may be eligible. The letters will explain the settlement and contain instructions on how to apply for refunds. As Time will be identifying eligible consumers from their records, there is no need for consumers to contact the Attorney General's office to qualify for a refund. Consumers should look for an envelope from Time that says "REFUND OFFER ENCLOSED."